

# **EXHIBIT JJ**

21-0108

# Pharmacy Manual

## DC Security



### Purpose

To provide Health and Wellness Distribution Center (DC) associates procedural direction related to maintaining secure prescription product storage and processing areas and ensure alarm systems are employed as required.

### Resources

Links	Resources
<b>Procedures</b>	
07-105	Asset Protection Office Duties
07-111	CCTV System Guidelines
07-122	Logistic Identification Badges
	Emergency Procedure Manual
<b>Items Needed</b>	
	Criminal Background Checks Compliance and Training Guidelines
	Managers Contact List
	Controlled Substances Act CFR 21- Part 1300

### Procedures

#### Access

##### **Associates**

All Health and Wellness DC associates gain access to the facility by utilizing an access control door located at the main exterior entry point. All other exterior doors must have contact alarm controlled, self-closing, self-locking mechanisms on the interior.

##### **Visitors**

No visitors are allowed in the DC unless escorted by a Walmart associate. DC associates visiting the DC off the clock can only access the office area, break room, or conference room. All visitors must sign in according to 07-105 Asset Protection Office Duties procedure.

Tours of any non-warehouse associate must have approval from the General Manager. General Manager (GM) should work with the Divisional Team on arrangements for any internal or external individual or team that requests a tour of the warehouse.

##### **Drivers**

OTR or 3<sup>rd</sup> party drivers have restricted entry through the driver door and must sign in following the 07-122 Logistic Identification Badge procedure. OTR or 3<sup>rd</sup> party drivers do not have access to the DC floor without a Walmart associate escort. No driver is allowed access to the Controlled Substance Storage Area.

##### **Pharmacy DC**

The Controlled Substance Storage Areas shall be accessible only to an absolute minimum number of specifically authorized associates. Unauthorized associates or visitors who pass through a Controlled Substance Area must have direct supervision and escort at all times. (CFR 21-1301.72 (d)). All

unauthorized associates or visitors must sign in and out on appropriate log maintained at the cage/vault entrances.

### **Closed Caption Television (CCTV)**

In accordance with 07-0111 CCTV System Guidelines procedure, the Health and Wellness DC is monitored inside and outside by CCTV. The Asset Protection Manager (APM) and GM determine camera locations in accordance with 07-111 CCTV System Guidelines procedure. Camera additions or deletions must be reviewed by Divisional Compliance, Safety, & AP Sr. Mgr. for approval through the CCTV Special Request process.

At a minimum, cameras must monitor the following areas:

- Parking Lot
- Parking Lot Entrance
- Associate Entrance
- Drivers Entrance
- Lobby/Main Entry Door
- Human Resources (HR) Window
- AP Office Window
- Money Handling Areas
- Controlled Pharmaceutical Cage/Vault Stocking Area
- Controlled Pharmaceutical Cage/Vault Picking Area
- Controlled Pharmaceutical Cage/Vault Verifying Stations
- Controlled Pharmaceutical Cage/Vault Cutting Stations
- Vault Entrance/Exit Doors
- Receiving Inside/Outside Dock
- Shipping Inside/Outside Dock
- Systems/Data Processing Entry Door and Office
- Hazardous Waste Drum and Cage Entrance
- Quarantine Areas
- Flip Top Dumpsters

Asset Protection (AP) conducts weekly camera shot review and logs all camera shots on the CCTV log located in the CCTV book. Any defective camera shots are documented on the log and the APM is responsible for reviewing at least weekly. The APM will enter a Special Request for repair/replacement of any defective camera shot or CCTV equipment.

Video review request as part of any DC internal investigation is approved by the APM. If the APM is not available, Asset Protection Associate (APA) notifies the GM and Divisional Compliance, Safety & AP Sr. Mgr. for direction. The video library must be maintained for a minimum of 30 days.

Hindering, tampering with, or otherwise compromising any CCTV equipment may result in disciplinary action, up to and including termination.

### **Security Alarm System**

All DC's are equipped with an alarm system that includes:

- Contact breakers
- Panic alarms

Health and Wellness DC's are equipped with additional systems that include:

- Motion Sensors
- Seismometers

Alarm Central (479-272-4600) monitors these alarms 24/7. During normal business hours, Alarm Central calls the DC if it receives an alarm. AP will assess any alarm and respond as outlined in the Emergency



Manual to address root cause of the alarm. During hours when an area or building is armed and there is not AP on site, Alarm Central handles notification based on the Managers Contact List on file. The APM must keep the Managers Contact List updated in MasWeb.

Controlled substance cage/vault is equipped with an alarm system and is managed through a separate panel, which Alarm Central monitors. Controlled substance cage/vault is armed when not in use, even during normal business hours.

All managers and AP associates must make sure the Pharmacy DC is armed and secured at the end of the business day. The Optical DC is armed and secured any time it is closed. After Hours Access section address DC access procedure when a Health & Wellness DC is closed.

Any violation of these security procedures may result in disciplinary action up to and including termination.

### **Controlled Substance Cage/Vault Storage Access**

Only authorized associates are allowed to enter the control cage/vault unaccompanied. The GM and APM partner to determine appropriate authorized associates. Only the APM generates access code for Approved Authorized Associate list. A list of all authorized individuals must be posted outside the control cage/vault storage area and must be kept current with each change.

Anyone not on the authorized associates list must sign in and out using the log sheet at the cage/vault entrance and be accompanied by an authorized associate. Supervised access is only granted for business reasons.

Only a reasonable number of associates can have coded access and cage/vault key. Each DC's management team must make sure access to the cage/vault is tightly controlled.

Keep gates and doors to the cage/vault closed at all times when not directly entering/exiting. Cage/Vault must be locked and armed any time the cage/vault associates leave for any reason, including breaks, lunches, meetings, etc.

The below is a list of job and descriptions of the Approved Authorized Associate Listing that has coded cage/vault access:

#### **Direct responsibility:**

- Vault/Cage Operations Manager – Directly responsible for planning and daily function of the controlled substance area.
- Vault/Cage Area Manager – Directly responsible for day-to-day production and personnel.
- Vault/Cage Full Time Associate – Directly responsible for day-to-day production.
- Float – Coded access is only granted to limited individuals who have been trained for controlled substance production AND is, at a minimum, used in the float position twice per week. All other float positions will be supervised and must be with an associate or manager with coded access.
- Asset Protection Associate – Directly responsible for security and alarm systems.
- Limited Receiving Associate – Directly responsible for receipt and hauling of controlled substance to/from vault/caged.
- Limited Replenishment Associate – Directly responsible for pallet and case replenishment.
- Quality Assurance (QA) Associate – Directly responsible for inventory audits.

#### **Indirect Responsibility:**

- General Manager – Responsible for overall warehouse functions.
- Asset Protection Manager – Lead responsible manager for all emergency and security functions.
- Quality Assurance Manager – Responsible for inventory control and systems functions.
- Maintenance Manager – Responsible for mechanical systems and temperature control hardware.

- All other associates must have a coded associate in the controlled substance area and are required to sign in and out when entering the cage/vault. Supervised associate must have a business need to be in the cage/vault storage or staging areas.
- Asset Protection Manager – Directly responsible for granting access codes in partnership with GM approval. In limited situations a short time period of direct badge access to specific readers may be granted based on business need. Any short term access granted to an associate outside of the above list must have written justification for approval consideration.

### Important!

Those not authorized to enter the control cage/vault unaccompanied can only enter with an authorized associate and must sign the Cage/Vault Visitor Log located at the entrance of the controlled area.

### **Vault Door Combination Lock**

The combination lock shall be limited to a minimum number of associates. Associates approved to have the combination are the AP Manager(s), GM, and opening Operations Manager only. Any other associate must be approved by the Compliance, Safety, & AP Sr. Mgr. & Sr. Director. Only the AP Managers will have the combination lock instructions. The instructions for setting or changing the combination must be locked in the APM Office cabinet.

### **After Production-Hours Access**

Access to the Health and Wellness DC's is limited during hours of non-production. APA on duty performs security and other compliance checks during these times. All controlled substance areas are to remain armed. In case of emergency, the APA will follow the Emergency Procedure Manual specific to the situation. After hours access must be justified and only an authorized associate may disarm the cage/vault for emergency or work related reason.

At any time the decision is made to leave the DC unmanned, the DC must be armed, all doors locked, and Alarm Central notified that the site is vacant. To regain access to the DC, the following are required:

- Two members of management
- One member of management and a member of AP

**Exception:** Managers or AP associates responding to an alarm during off-hours. In most cases, local law enforcement will be on site.

**Exception:** If a Pharmacy DC has an office area separate from the drug storage and processing area, managers can access their office area without another manager or AP associate present. Managers may not enter the GM, APM, or HRM Office at any time without proper approvals and can only enter HRM Office with an APA.

### **Background Checks/Drug Screen**

Perform a criminal background check and drug screen on all new and transfer Pharmacy DC associates. Human Resource Manager will provide the required materials for completing the Criminal Background Checks Compliance and Training Guidelines. The new or transferred associate cannot start until a competitive background check is received.